

20, 2004. Applicants note that the Interview Summary Record mailed on October 28, 2004, accurately reflects the substance of the interview.

Applicants respectfully traverse the Examiner's rejection of claims 1, 2, 4, 5, and 7-9 under 35 U.S.C. § 103(a), and submit that all currently pending claims are allowable over the cited references for at least the following reasons.

To establish a *prima facie* case of obviousness under 35 U.S.C. §103(a), the references, taken alone or combined, must teach or suggest each and every element recited in the claims. (M.P.E.P. § 2143.03 (8th ed. 2001, revised May 2004)). *Walker* and *Watanabe* fail to teach or suggest all of the elements recited in present claims 1, 2, 4, 5, and 7-9. Claim 1, for example, is not obvious over *Walker* and *Watanabe* because the applied references, taken alone or in combination, at least fail to teach or suggest the claimed method including the step of "automatically debiting a customer account for a purchase corresponding to said information inputted by the customer *after said merchandise has been delivered*, provided said customer does not cancel future delivery of said merchandise" (emphasis added), as recited in present claim 1.

Applicants maintain that 1, 2, 4, 5, and 7-9 are allowable for reasons discussed in Applicants' Amendment filed on April 26, 2004. In particular, claim 1, for example, is allowable over the Examiner's proposed combination of references because neither *Walker* nor *Watanabe* teaches or suggests the claimed method including "automatically debiting a customer account." The Examiner, however, contends that "automatically debiting a customer account" is inherently taught by *Walker* (see final Office Action at

page 5). As noted in Applicants' April 26 Amendment, *Walker*, if anything, discloses manual collection of funds, not automatic debiting. Although the Examiner correctly points out that features "that are necessarily ... present" are inherent (final Office Action at page 5), automatic debiting is not necessary for, and is preclusive of, the manual collection of funds disclosed in *Walker*. Notwithstanding the Examiner's assertions, Applicants respectfully submit that the term "automatic" does not mean "manual." Accordingly, "automatically debiting a customer account" is not inherently disclosed in *Walker*, nor is it taught, expressly or inherently, in *Watanabe*. Claim 1 is thus distinguishable over *Walker* and *Watanabe* at least for this reason.

Moreover, neither reference discloses the claimed automatic debiting of a customer account "after said merchandise has been delivered." *Walker*, for example, clearly teaches that prior to delivery, a cashier "collects the amount due for the subscription from customer 110" (col. 11, lines 46-48). Thereafter, "fulfillment house 140 instructs the subscription database to deliver the normal number of subscription issues less one issue (col. 12, lines 26-28). Thus, *Walker* teaches away from Applicants' claimed method of "automatically debiting a customer account ...after said merchandise has been delivered," as recited in claim 1.

Applicants also respectfully submit that the Examiner has failed to establish any suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the applied references or

to combine their teachings. In addition, the Examiner has failed to show that the applied references are combinable with a reasonable expectation of success.

Walker teaches a system for selling subscriptions to periodicals in a retail environment. The *Walker* system verifies the subscription by reference to its own database and transmits the subscription to a fulfillment house for distribution. *Walker*, Abstract.

In contrast, *Watanabe* teaches a check-out system capable of reading commercial product codes which are difficult for the purchaser to read or cannot be read by automatic operation before loading those commercial products on a belt conveyor. *Watanabe*, col. 3, lines 41-49. The applied references are non-analogous and thus do not provide a suggestion for the Examiner's proposed modification or combination, let alone a reasonable expectation of success in doing so. Indeed, the final Office Action offers none.

Claim 7 also recites automatically debiting a customer account for a purchase, provided the customer does not cancel future delivery of the merchandise, and is therefore similar to claim 1 in this respect. Accordingly, claim 7 is also distinguishable over the applied references at least for reasons discussed above with respect to claim 1.

In light of the above-described deficiencies of both *Walker* and *Watanabe*, Applicants respectfully submit that claims 1 and 7 are allowable over the applied references. In addition, claims 2, 4, and 5 are allowable at least due to their

dependence from present claim 1, and claims 8 and 9 are allowable at least due to their dependence from present claim 7.

This Request for Reconsideration does not raise new issues requiring further consideration and/or search. Accordingly, Applicants respectfully request entry of this Request. In addition, in view of the foregoing remarks, Applicants respectfully request reconsideration and reexamination of this application and a timely allowance of claims 1, 2, 4, 5, and 7-9.

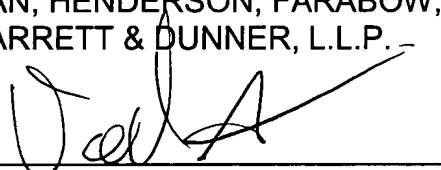
Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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Dated: November 3, 2004

By: _____


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